Saskmilk

UPDATE

June 15, 2012

QUOTA EXCHANGE

The market-clearing price established for the June, 2012 Quota Exchange was $31,200.00

The next Quota Exchange will be held on July 16, 2012. All offers to sell and bids to purchase quota through the Quota Exchange must be received at the SaskMilk office by midnight, July 6, 2012. SaskMilk recommends that offers and bids be submitted well in advance of the deadline date to ensure adequate time for corrections, if necessary.

Just a reminder to producers that when making bids on the Quota Exchange, the price on offers to sell quota is the minimum price that the producer is prepared to accept for that quota. Only if the market-clearing price is equal to or greater than the producer's minimum price will that producer qualify for participation in the Exchange. Conversely, the price on offers to purchase quota is the maximum price that the producer is prepared to pay for that quota. Only if the market-clearing price is equal to or less than the producer's maximum price will that producer qualify for participation in the Exchange. The clearing price is set at the price where the smallest difference exists between the accumulated volume offered for sale and the accumulated volume bid to purchase.

The results of the Quota Exchange are outlined in the following Table.

JUNE, 2012 QUOTA EXCHANGE RESULTS SUMMARY

Market Clearing Price per kilogram of butterfat	**$31,200.00**
Daily Kilograms offered to Purchase	**98.00**
Kilograms offered to Sell	**134.31**
Kilograms sold	**48.00**
Number of Producers	
- offered to purchase	**6**
- purchased quota	**5**
- offered to sell	**7**
- sold quota	**4**

JUNE, 2012 QUOTA EXCHANGE CLEARING PRICE RESULTS

Price ($/daily kg b.f.)	No. of Sellers	Cumulative Sellers	Daily Kgs b.f. offered for sale	Cumulative sales	Cumulative Sales less Cumulative purchases	Cumulative purchases	Daily Kgs b.f. offered to purchase	Cumulative Buyers	No. of buyers
29,750.00	1	1	25.00	25.00	-73.00	98.00	0.00	6	0
30,000.00	2	3	11.00	36.00	-62.00	98.00	50.00	6	1
31,000.00	1	4	14.31	50.31	2.31	48.00	0.00	5	0
31,200.00	**0**	**4**	**0.00**	**50.31**	**2.31**	**48.00**	**11.00**	**5**	**1**
31,250.00	1	5	40.00	90.31	53.31	37.00	0.00	4	0
31,300.00	0	5	0.00	90.31	53.31	37.00	14.00	4	1
31,400.00	0	5	0.00	90.31	67.31	23.00	11.00	3	1
31,500.00	1	6	20.00	110.31	98.31	12.00	11.00	2	1
32,100.00	1	7	24.00	134.31	133.31	1.00	0.00	1	0
33,000.00	0	7	0.00	134.31	133.31	1.00	1.00	1	1

TRANSFER CREDIT SUMMARY REPORT

MONTH	# OF PRODUCERS TRANSFER IN	# OF PRODUCERS TRANSFER OUT	TOTAL KGS BUTTERFAT
May	14	16	17,747
June	20	18	21,400
July	14	13	18,903
August	19	26	29,476
September	14	13	15,745
October	23	21	25,971
November	25	27	27,199
December	23	22	22,169
January, 2012	18	16	22,543
February	18	16	13,595
March	16	16	8,585
April	30	18	27,232
May	13	12	12,700

OVER QUOTA (OVER 10 DAYS) REPORT BY MONTH

MONTH	# OF PRODUCERS	KGS BUTTERFAT
May	2	185
June	2	392
July	2	267
August	1	78
September	2	157
October	3	357
November	3	329
December	4	1,032
January, 2012	10	2,606
February	11	4,724
March	11	3,154
April	27	9,368
May	22	3,358

SUMMARY REPORT OF CREDITS May, 2012 – 174 PRODUCERS

DAYS	# OF PRODUCERS	POSITIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)
+10	0	0
+ 5 to +10	22	14,000
0 to + 5	56	17,130
TOTAL	78	31,130
DAYS	**# OF PRODUCERS**	**NEGATIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)**
-20	0	0
-15 to -20	10	-20,378
-10 to -15	18	-43,591
-5 to -10	24	-21,368
0 to -5	44	-16,976
TOTAL	96	-102,313

WEIGHTED AVERAGE COMPONENT TESTS & PRICES May, 2012

Components	Average Test	Price per kilogram Class 1 to 5
Butterfat	3.8479	11.327182
Protein	3.2965	8.327182
Other Solids	5.7200	1.199757

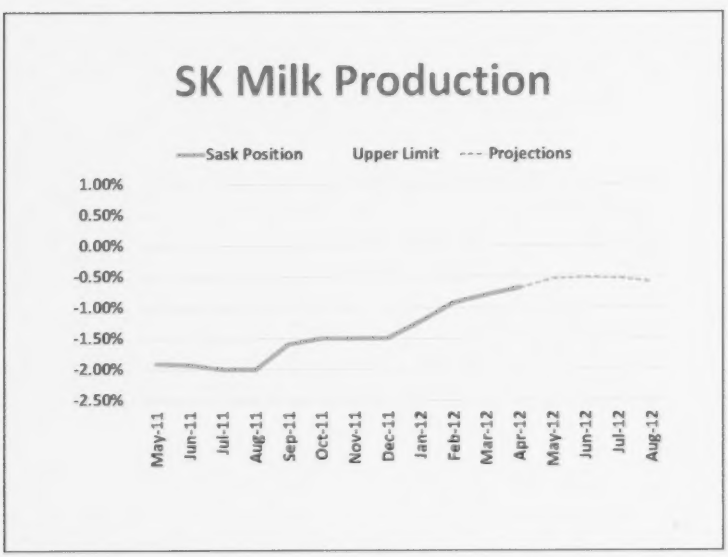
Based on the average component tests for the province, the average price received was **$77.899** per hectolitre. **The average butterfat price received per kilogram was $20.16.**

SASKATCHEWAN MILK POOL RESULTS May, 2012

Milk Sale Revenue	$ 14,159,091.19
Western Milk Pool	$ 1,373,341.97
Dairy Farmers of Canada Skim Off	$ - 15,734.13
Plant of Last Resort Service	$ - 54,720.96
Total Pool Value	**$ 15,461,978.07**

LOST OPPORTUNITY REPORT

MONTH	# OF PRODUCERS	LOST OPPORTUNITY (KGS OF BUTTERFAT)
May	24	6,688
June	18	5,490
July	24	7,904
August	24	10,994
September	28	13,098
October	21	8,137
November	18	5,354
December	10	2,240
January, 2012	6	1,106
February	4	1,487
March	8	3,854
April	13	9,776
May	10	5,501



In May, Saskatchewan had a monthly CDC allocation of **754,299 kilograms** of butterfat. In the month of May, Saskatchewan production was **11,060 kilograms** of butterfat **over** and cumulatively **under** by **-50,772 kilograms** of butterfat. On a percentage basis, Saskatchewan is at **-0.56%** within our CDC allocation flexibility limits based on the Continuous Quota model. The -1.50% lower flexibility limit is in effect.

	(1) Monthly Total Production Kgs bf	(2) Total Monthly CDC Quota Allocation Kgs bf	(3) Monthly Over or (Under) Production Kgs bf col. 1 – 2 = 3	(4) Lower Flexibility Limit **(1.5%)** Kgs bf col. 9 * -1.5%	(5) Upper Flexibility Limit **1.0%** Kgs bf col. 9 *1.0%	(6) Cumulative Over or (Under) Production with limits Kgs bf	(7) Cumulative Over or (Under) Production with limits in - % col. 6 / 9	(8) Over Quota or (Lost Production Opportunity) Kgs bf	(9) Rolling 12 Month Total Quota Kgs bf
May-11	750,663	750,954	(291)	(176,510)	44,127	**(168,245)**	**-1.91%**	0	8,825,483
June-11	723,059	725,685	(2,626)	(177,134)	44,283	**(170,871)**	**-1.93%**	0	8,656,690
July-11	725,673	736,879	(11,206)	(177,781)	44,445	**(177,781)**	**-2.00%**	(4,296)	8,889,063
Aug-11	733,202	745,258	(12,056)	(178,337)	44,584	**(178,337)**	**-2.00%**	(11,500)	8,917,847
Sep-11	716,780	744,377	(27,597)	(178,670)	44,667	**(142,052)**	**-1.59%**	(63,882)	8,933,497
Oct-11	762,771	774,160	(11,389)	(134,262)	44,754	**(134,262)**	**-1.50%**	(19,179)	8,950,830
Nov-11	754,256	767,286	(13,030)	(134,481)	44,827	**(134,481)**	**-1.50%**	(12,811)	8,965,400
Dec-11	786,189	790,598	(4,409)	(134,551)	44,850	**(138,320)**	**-1.54%**	(570)	8,970,053
Jan-12	800,269	771,312	28,987	(134,755)	44,918	**(109,363)**	**-1.22%**	0	8,983,638
Feb-12	752,035	725,489	26,546	(135,400)	45,133	**(82,817)**	**-0.92%**	0	9,026,671
Mar-12	781,420	769,585	11,835	-135,588	45,196	**(70,982)**	**-0.79%**	0	9,039,176
Apr-12	744,524	735,251	9,273	-135,553	45,184	**(61,708)**	**-0.68%**	0	9,036,834
May-12	765,359	754,299	11,060	-135,605	45,202	**(50,772)**	**-0.56%**	0	9,040,303

(1) Monthly Production in Saskatchewan
(2) Total Monthly Quota = Class 1 sales + Monthly MSQ + Carry Forward
(3) Difference between the monthly production (1) and the total monthly quota (2)
(4) The Lower Flexibility Limit is -1.5% of Rolling 12 Month Total Quota (9)
(5) The Upper Flexibility Limit is 1.0% of Rolling 12 Month Total Quota (9)
(6) Previous Month Cumulative Over or (Under) Production + Current Monthly Over or (Under) Production (capped at lower or upper limit if applicable)
(7) Equal to Column (6) expressed as a percentage basis within the flexibility limits
(8) Over Quota or (Lost production opportunity) outside of flexibility limits
(9) Total Monthly CDC Quota Allocation for the previous 12 months

June 2012 Research Report
By Jack Ford

I hope everybody's seeding went ok, I guess for some areas I should say, I hope you got done seeding! Our area has received well over 12 inches of rain since the first of April.

I had the opportunity to tour the site of our new barn on June 11th; the construction is proceeding very well considering all the rain they have gotten in the recent weeks. The metabolic wing is completely closed in and the walls are now all up for the main structure.

If you recall last month I was talking about CAAP funding and how important it is to keep it regional. I am happy to report to you that there is a joint commodity task force putting a joint letter together to present to the federal government outlining our opposition to this change. Several provinces across Canada have already done so; we can only hope that the government will listen!

Thank-you for your very generous support and interest in research!

QUOTA LISTING SERVICE

SaskMilk offers a free quota listing service as part of its Newsletter. Anyone wishing to sell or purchase quota and/or cows or miscellaneous dairy equipment is welcome to contact the SaskMilk office at (306) 949-6999. All prices and negotiations will be independent of SaskMilk.

Please note that ads will be posted in two issues and will then be removed unless SaskMilk is notified otherwise.

Cows & Quota for Sale

- 15 beautiful registered pure bred heifers for sale. Danny Hofer (403) 502-9997
- 50 good Holstein cows for sale as of June 1st. Herd is on DHIA and preg checked. Please call: Art: (306) 222-8455; Jody: (306) 716-2520; John: (604) 826-5184

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